



General Assembly

February Session, 2020

Raised Bill No. 165

LCO No. 1310



Referred to Committee on COMMERCE

Introduced by:
(CE)

***AN ACT CONCERNING DRY CLEANING ESTABLISHMENT
REMEDiation GRANTS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 12-263m of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2020*):

3 (a) As used in this section: (1) "Eligible dry cleaning establishment"
4 means any place of business engaged in the cleaning of clothing or other
5 fabrics using tetrachlorethylene, Stoddard solvent or other chemicals,
6 (2) "gross receipts at retail" means the total amount accruing from dry
7 cleaning services, valued in money, without any deduction for the cost
8 of the materials used, labor or service cost or any other expense, and (3)
9 "eligible applicant" means (A) a business owner or operator of an
10 eligible dry cleaning establishment, [or] (B) an owner of property that is
11 or that was occupied by an eligible dry cleaning establishment, or (C) a
12 certifying party, as defined in subdivision (6) of section 22a-134, of
13 property that is or that was occupied by an eligible dry cleaning
14 establishment.

15 (b) (1) There shall be paid to the Commissioner of Revenue Services

16 by each dry cleaning establishment a surcharge of one per cent of its
17 gross receipts at retail for any dry cleaning service performed on or after
18 January 1, 1995. Each dry cleaning establishment shall register with the
19 Commissioner of Revenue Services on forms prescribed by the
20 commissioner. Each dry cleaning establishment that is registered with
21 the commissioner shall renew its registration with the commissioner on
22 October 1, 2015, and annually thereafter, in such manner as the
23 commissioner may prescribe. The commissioner shall send a
24 nonrenewal notice by first class mail to each dry cleaning establishment
25 that fails to renew its registration in accordance with the provisions of
26 this subsection. No dry cleaning establishment may engage in or
27 transact business as a dry cleaning establishment unless it is registered
28 with the commissioner in accordance with the provisions of this
29 subsection.

30 (2) (A) Any dry cleaning establishment that fails to register with the
31 commissioner in accordance with the provisions of this subsection shall
32 pay a penalty of one thousand dollars, which penalty shall not be subject
33 to waiver.

34 (B) Any dry cleaning establishment that fails to renew its registration
35 within forty-five days after a nonrenewal notice was sent pursuant to
36 subdivision (1) of this subsection shall pay a penalty of two hundred
37 dollars, which the commissioner may waive in the manner set forth in
38 section 12-3a, when it is proven to the commissioner's satisfaction that
39 the failure to register was due to reasonable cause and was not
40 intentional or due to neglect. No penalty may be assessed under this
41 subparagraph more than once during any registration period.

42 (3) Each dry cleaning establishment shall submit a return quarterly to
43 the Commissioner of Revenue Services, applicable with respect to the
44 calendar quarter beginning January 1, 1995, and each calendar quarter
45 thereafter, on or before the last day of the month immediately following
46 the end of each such calendar quarter, on a form prescribed by the
47 commissioner, together with payment of the quarterly surcharge
48 determined and payable in accordance with the provisions of this

49 section. Whenever such surcharge is not paid when due, a penalty of ten
 50 per cent of the amount due or fifty dollars, whichever is greater, shall be
 51 imposed, and such surcharge shall bear interest at the rate of one per
 52 cent per month or fraction thereof until the same is paid. The
 53 Commissioner of Revenue Services shall cause copies of a form
 54 prescribed for submitting returns as required under this section to be
 55 distributed to persons subject to the surcharge. Failure to receive such
 56 form shall not be construed to relieve anyone subject to the surcharge
 57 under this section from the obligations of submitting a return, together
 58 with payment of such surcharge within the time required. The
 59 provisions of sections 12-548 to 12-554, inclusive, and sections 12-555a
 60 and 12-555b shall apply to the provisions of this section in the same
 61 manner and with the same force and effect as if the language of said
 62 sections 12-548 to 12-554, inclusive, and sections 12-555a and 12-555b
 63 had been incorporated in full into this section and had expressly
 64 referred to the surcharge imposed under this section, except to the
 65 extent that any such provision is inconsistent with a provision of this
 66 section and except that the term "tax" shall be read as "dry cleaning
 67 establishment surcharge".

68 (4) Any moneys received by the state pursuant to this section shall be
 69 deposited into the account established pursuant to subsection (c) of this
 70 section.

71 (c) There is established an account within the General Fund to be
 72 known as the "dry cleaning establishment remediation account". Said
 73 account shall contain any moneys required by law to be deposited in the
 74 account. Any balance remaining in the account at the end of any fiscal
 75 year shall be carried forward in the account for the fiscal year next
 76 succeeding. The account shall be used by the Department of Economic
 77 and Community Development for grants made to (1) owners or
 78 operators of eligible dry cleaning establishments, [or] (2) owners of
 79 property on which an eligible dry cleaning establishment has been in
 80 operation for at least a year prior to the [approval] submission of the
 81 application or was previously operated for at least a year prior to such
 82 [approval] submission, or (3) certifying parties of property on which an

83 eligible dry cleaning establishment has been in operation for at least a
 84 year prior to the submission of the application or was previously
 85 operated for at least a year prior to such submission.

86 (d) The state, acting through the Commissioner of Economic and
 87 Community Development, shall use the dry cleaning establishment
 88 remediation account to provide grants to eligible applicants for the
 89 purposes of the containment and removal or mitigation of
 90 environmental pollution resulting from the discharge, spillage,
 91 uncontrolled loss, seepage or filtration of chemical liquids or solid,
 92 liquid or gaseous products or hazardous wastes on or at the site of an
 93 eligible dry cleaning establishment, environmental site assessments
 94 relating to such pollution or for measures undertaken to prevent such
 95 pollution which are approved by the Commissioner of Energy and
 96 Environmental Protection. In order to qualify for a grant under the
 97 provisions of this section an eligible applicant [must] shall demonstrate
 98 to the satisfaction of the Commissioner of Economic and Community
 99 Development that (1) the eligible dry cleaning establishment is using or
 100 previously used, tetrachlorethylene or Stoddard solvent or other
 101 chemicals for the purpose of cleaning clothes or other fabrics, (2) the
 102 eligible dry cleaning establishment has been doing business or did
 103 business at the site for a period of at least one year prior to the
 104 submission date or approval date of the application for assistance under
 105 this section, (3) the eligible dry cleaning establishment or owner of
 106 property is not in arrears with regard to any tax levied by the state or
 107 any political subdivision of the state and the dry cleaning surcharge
 108 imposed by subsection (b) of this section, and (4) the eligible applicant
 109 is not in arrears with regard to any tax levied by the state or any political
 110 subdivision of the state. Any funds disbursed as a grant under this
 111 section shall not be subject to attachment in the satisfaction of any
 112 judgment against the recipient of such grant in any civil action.

113 (e) Notwithstanding the terms of any grant made under this section,
 114 an eligible applicant shall bear all the costs of such pollution that are less
 115 than ten thousand dollars. Each eligible applicant that submits an
 116 application on or after October 1, 2020, shall demonstrate to the

117 satisfaction of the Commissioner of Economic and Community
 118 Development that such applicant can match any grant provided by said
 119 commissioner up to ten thousand dollars before such applicant receives
 120 any grant. The Commissioner of Economic and Community
 121 Development may provide a grant of up to three hundred thousand
 122 dollars to the eligible applicant where the eligible applicant has
 123 provided said commissioner with documentation satisfactory to said
 124 commissioner that the services for which payment is sought have been
 125 [or will be] completed. No eligible applicant shall receive more than
 126 three hundred thousand dollars per eligible dry cleaning establishment.
 127 In addition, the account may be used (1) to provide grants to the
 128 Department of Energy and Environmental Protection for expenditures
 129 made investigating dry cleaning establishments, (2) to provide potable
 130 water whenever necessary, [and] (3) to conduct environmental site
 131 assessments, and (4) for legal services relating to the disbursement of
 132 funds from the account.

133 (f) Requests for grants shall be made to the Commissioner of
 134 Economic and Community Development when the commissioner
 135 announces a request for applications. The frequency of requests for
 136 applications shall be at the discretion of the Commissioner of Economic
 137 and Community Development. Any eligible applicant seeking a grant
 138 shall provide documentation supporting the need for the grant.

139 (g) Any dry cleaning establishment which unlawfully or intentionally
 140 discharges or spills any chemical liquids or solid, liquid or gaseous
 141 products or hazardous wastes shall not be eligible for a grant from the
 142 account.

143 (h) The Commissioner of Economic and Community Development
 144 shall establish procedures for distribution of the grants and shall adopt
 145 criteria to carry out the provisions of this section. Such criteria shall
 146 specify (1) who may apply for grants; (2) how establishments, whether
 147 owned or leased, will be determined to be eligible for grants; (3) the costs
 148 for which grants may be made; and (4) a method for ensuring timely
 149 payment of funds to grant recipients.

This act shall take effect as follows and shall amend the following sections:		
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Section 1	<i>October 1, 2020</i>	12-263m
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Statement of Purpose:

To make various revisions to the eligibility requirements and application procedures for dry cleaning establishment remediation grants.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]